

WACCAMAW REGIONAL TRANSPORTATION AUTHORITY
d/b/a THE COAST RTA
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, JUNE 27, 2018
9:30 AM

Board Present: Dr. Rob Sheehan
Darrell Eickhoff
Joseph Lazzara (via Go To Meeting)
Bernard Silverman
Lillie Jean Johnson
Ivory Wilson
Katherine D'Angelo
Mickey James

Staff Present: Brian Piascik, General Manager/CEO
Lynette Nobles, Executive Assistant/Board Liaison
Ron Prater, Chief Financial Officer (via Go to Meeting)
Michelle Cantey, PIO

Visitors: Dr. Twigg
Ann Winchell
Michael Ritchie

In accordance with the Freedom of Information Act (FOIA), the 2018 meeting schedule was provided to the press at the beginning of the 2018 calendar year, stating the date, time and location. In addition, notice of this meeting was provided to the press and stakeholders, stating the date, time, and location on June 25, 2018.

CALL TO ORDER: Dr. Sheehan called the meeting to order at 9:00 AM and welcomed everyone.

INVOCATION/PLEDGE OF ALLEGIANCE: Dr. Sheehan gave the invocation and the Pledge of Allegiance was recited

ROLL CALL/ANNOUNCEMENT OF QUORUM: Roll call was taken. A quorum was present.

ACKNOWLEDGEMENT OF VISITORS: Dr. Twigg, Ann Winchell, Michael Ritchie

PUBLIC COMMENT: (3-minute limit)

EMPLOYEE RECOGNITION: Mr. Piascik stated that he knows it's been really hot the last few weeks and our drivers and mechanics are doing a great job. Our service and ridership is going well.

APPROVAL OF AGENDA There was a motion and a second to approve the agenda. Mr. Piascik requested an amendment to the agenda adding Resolution No. JUNE2018-12 Authorization to apply for SCDOT 5339 Grants. There was a motion and a second to approve the amended agenda. A voice vote was taken; no nays being heard, the amended agenda was approved.

APPROVAL OF MINUTES:

There was a motion and a second to approve the minutes from the May board meeting. A voice vote was taken; no nays being heard, the minutes were approved.

COMMITTEE REPORTS

SERVICE/PAC COMMITTEE: AECOM is coming in on Thursday at 9 AM to present regarding our bus signage project and board members may attend (less than 5). Next meeting will be July 15, 2018.

FINANCE COMMITTEE: No report from Finance Committee. Mr. Piascik explained that we had a rough month within the budget that should smooth out. The \$2500 hit in Legal was for analysis of the concealed weapons and some work on revenue related to Uber service fees (called-ride fees) done on behalf of the City. We had a number of expenses hit in Travel, about \$8,000; but, we're expecting a pretty healthy return through RTAP funding. You may recall that we cut the Travel budget from \$60,000 to \$45,000 and should come in under that for the year. Fuel is a concern. We have about \$8,000 in expenses over our normal month; \$3000 was oil purchase, so that will get spread out over the course of the year. It's basically a spike in the diesel prices. We'll be watching that and making some different assumptions in the FY19 Budget. Gas mileage for the diesel fleet has improved fleet-wide (almost a mile per gallon) with the advent of the new buses. The DART buses are gas guzzlers. There's a \$24,000 hit for an engine; that's one of the refurb's we did that will smooth out. There's \$7000 for New Flyer training from October/November for which we missed the invoice. We had a \$5000 spike in Health Insurance, which stems from the type of plan the new drivers are choosing. The auditor who we sent the check stating that should he cash the check..., actually did cash the check, which is great news. Mr. Eickhoff asked if Coast covers part of the cost of the health insurance. Coast RTA does contribute a small amount for each employee's coverage. Mr. Eickhoff asked if the federal government gives us their outlook as to gas prices in advance. Mr. Piascik added that we will take a look at that and that we pay no sales or fuel tax and we buy on state contract at a discount. Mr. Silverman asked Mr. Ritchie to speak regarding his purpose for joining us, affordable housing. He is accustomed to systems with 10 to 15-minute frequency where ours is an hour frequency. He found our app a little difficult to use. His point being that people living in affordable housing need our service and need to know where they can access our system. Those areas are Carolina Forest, Myrtle Beach, and Little River.

Dr. Keene asked about Grant Revenue, pending items. Mr. Piascik stated that we are actually ahead due to receiving more 5311 funds than we had budgeted. Some items are projects that have not happened yet. We need to do some work as to how we're doing the budget on the capital side.

Mr. Wilson was wondering about the Travel. Mr. Piascik explained that we are able to apply for RTAP funds for training. The majority of the expense was for the TASC Conference attendees and

Roadeo competitors. We have not recouped the money for those expenses from RTAP at this point. We expect to be at the \$45,000 number (reduced from \$60,000).

Prior to the General Manager's Report, Dr. Sheehan shared that there's been a good bit of discussion with Horry County, who has requested that we put in place an O&M Reserve by the end of 2021, which represents 5% of our operating cost. We want to reduce the Conway National Bank loan and we do not want to go back and extend that loan. Mr. Prater has been very good the last couple of months in indicating the cuts that need to be taken as a part of our budgeting process. We can handle that outside of Executive Session by dealing with personnel items in general. Mr. Piascik is going to present us with a target, effective October 1, 2018 that should bring us back in line with expenses compared to revenue in fairly quick order.

GENERAL MANAGER'S REPORT: Mr. Piascik began with some really good news, our May ridership numbers are up 12% over last May and ridership continues to increase. Ridership on Route 7 continues to hold, in spite of the Social Security Administration office moving to Myrtle Beach. The Entertainment Shuttle is outpacing last year; for June, we're on pace for about 14,000; we had 12,000 last June. The biggest challenges are the vehicles and staffing. System ridership in June is tracking at being over 60,000; last year was 57,000.

FMO – There is one remaining item on the FMO having to do with the two (2) buses parked out back. We are in negotiations with Creative Bus Sales (bought the company that sold us the buses) working on a transaction where they would trade us two (2) vehicles that we could put into service and transfer the equity from these vehicles. They were sold to us as 10-year buses, we reduced them to 7-year buses to change. There was no way they would last 10 years. We have \$205,000 in federal equity in them that we will transfer to the two (2) new (used) vehicles. We have offered to give them \$70,000 plus the two (2) vehicles to the vendor to give us two (2) new (used) vehicles that are at the price point of about \$64,000 each (\$128,000). Other authorities bought these same type vehicles and had similar issues with them. They were not built for the use for which we have need. One of these buses has had three (3) replacement engines. If this deal falls through, we'll have to reduce one of our FTA grants by \$205,000 and go after them legally.

Mr. Piascik announced that New Flyer is bringing an electric bus for us to take a look at (August 6) and demo it on our route(s). We will invite public officials and board members to take a ride on the electric bus. It would require purchasing charging stations. The electric bus is \$550,000-\$600,000.

Mr. Piascik briefly covered the five (5) resolutions being presented today:

- The first one gives us approval to sign a contract with Cintas for driver and mechanic uniforms. With Cintas being the incumbent, they were able to give us much better pricing, giving us a cost savings.
- The second gives approval for the board chairman to execute the FY19 Funding Agreement with Horry County. \$2.03 million is expected to be the first year's funding,
- The next two (2) are to negotiate and execute funding agreements with Georgetown County and City of Myrtle Beach.
- The last is to authorize the General Manager to apply for SCDOT 5339 Grants

We will be signing an agreement for new scheduling software, which is being paid for by SCDOT. This may or may not require a board resolution. Should a board resolution be required, we will present it for board approval.

Mr. Silverman read the following: Item 2 in the Horry County FY19 Funding Agreement, “Prior to further expansion of service, the Agency shall pay off liabilities related to installment loans on its balance sheet and to establish a cash reserve equal to 5% of operational expenses prior to any expansion of service. The Agency shall have until September 30, 2021 to comply with eliminating its liabilities related to installment loans, and establish a cash reserve equal to 5% of operational expenses.”

Mr. Eickhoff asked about the expectation of expansion of service from Georgetown County with the increase in their funding. He asked Mr. Piascik if the moratorium on expansion of service by Horry County would be binding on Georgetown County. Mr. Piascik said that the moratorium by Horry County should not be binding on Georgetown County.

Mr. Piascik talked about our driver shortage and reallocating people, resulting in about \$140,000 in savings. Getting the new forklift will save us about \$25,000, what we’re currently paying to rent one. We are adding a business interruption policy through the Insurance Fund. Mr. Piascik reported that he has cut approximately \$247,000 in expenses from the budget.

Dr. Sheehan announced that the General Manager’s review will be moved back until the board has received his Goals and Accomplishments.

APPROVAL OF RESOLUTIONS: Ms. Nobles read the following resolutions into the record.

**WACCAMAW REGIONAL TRANSPORTATION AUTHORITY
RESOLUTION NO. JUN2018-08**

**AUTHORIZATION TO AWARD CONTRACT TO CINTAS CORPORATION TO
FURNISH AND MAINTAIN UNIFORMS**

A motion of the Board of the Waccamaw Regional Transportation Authority authorizing the General Manager/Secretary-Treasurer to execute a contract with Cintas Corporation for furnishing and maintaining bus operator, dispatch, and maintenance employee uniforms for a one (1) firm-fixed price term with options to renew for a period up to four (4) additional years.

There was a motion and a second to approve the resolution. A voice vote was taken, no nays being heard, the resolution passed.

**WACCAMAW REGIONAL TRANSPORTATION AUTHORITY
RESOLUTION NO. JUNE2018-09**

**AUTHORIZATION FOR BOARD CHAIRMAN TO EXECUTE HORRY
COUNTY FUNDING AGREEMENT**

A motion of the Board of the Waccamaw Regional Transportation Authority authorizing the Chairman of the Board to execute the FY19 Funding Agreement with Horry County.

There was a motion and a second to approve the resolution. A voice vote was taken, no nays being heard, the resolution passed.

**WACCAMAW REGIONAL TRANSPORTATION AUTHORITY
RESOLUTION NO. JUNE2018-10**

**AUTHORIZATION TO NEGOTIATE AND EXECUTE FY19
FUNDING AGREEMENT WITH THE CITY OF MYRTLE
BEACH**

A motion of the Board of the Waccamaw Regional Transportation Authority authorizing the General Manager/Secretary-Treasurer to negotiate and execute the FY19 Funding Agreement with the City of Myrtle Beach.

There was a motion and a second to approve the resolution. A voice vote was taken, no nays being heard, the resolution passed.

**WACCAMAW REGIONAL TRANSPORTATION AUTHORITY
RESOLUTION NO. JUNE2018-11**

**AUTHORIZATION TO NEGOTIATE AND EXECUTE FY19
FUNDING AGREEMENT WITH GEORGETOWN COUNTY**

A motion of the Board of the Waccamaw Regional Transportation Authority authorizing the General Manager/Secretary-Treasurer to negotiate and execute the FY19 Funding Agreement with Georgetown County.

There was a motion and a second to approve the resolution. A voice vote was taken, no nays being heard, the resolution passed.

**WACCAMAW REGIONAL TRANSPORTATION AUTHORITY
RESOLUTION NO. JUNE2018-12**

AUTHORIZATION TO APPLY FOR SCDOT/5339 GRANTS

A motion of the Board of the Waccamaw Regional Transportation Authority

authorizing the General Manager/Secretary-Treasurer to pursue 5339/SCDOT grants for up to two (2) 40' buses in the amount \$880,000.

There was a motion and a second to approve the resolution. A voice vote was taken, no nays being heard, the resolution passed.

EXECUTIVE SESSION: None

OLD BUSINESS: None

NEW BUSINESS: Mr. Piascik asked that the Finance Committee be authorized to vote in lieu of the entire board to accept and release the FY19 Budget to Horry County. There was a motion and a second that the Finance Committee, in the August meeting, be authorized to vote in lieu of the entire board to accept and release the FY19 Budget to Horry County. A voice vote was taken, no nays being heard, the motion passed.

ANNOUNCEMENTS: None

ADJOURNMENT: There was a motion and a second that the meeting be adjourned. A voice vote was taken. No nays being heard, the meeting was adjourned at 11:54 AM.